

JW

RS

UNITED STATES DISTRICT COURT
Filed

NORTHERN DISTRICT OF CALIFORNIA
JUN 15 2006

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

SAN JOSE DIVISION

**SEALED BY ORDER
OF COURT**

THE UNITED STATES OF AMERICA

VS.

LAN LEE, a/k/a Lan Li and YUEFEI GE

INDICTMENT

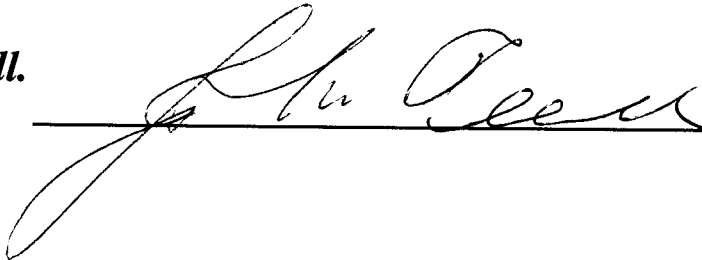
COUNT ONE: Title 18, United States Code, Section 1832(a)(5)– Conspiracy

COUNTS TWO and FIVE: Title 18, United States Code, Section 1832(a)(1)– Theft of Trade Secrets; Title 18, United States Code, Section 2– Aiding and Abetting

COUNTS THREE and SIX: Title 18, United States Code, Sections 1832(a)(3)– Theft of Trade Secrets; Title 18, United States Code, Section 2– Aiding and Abetting

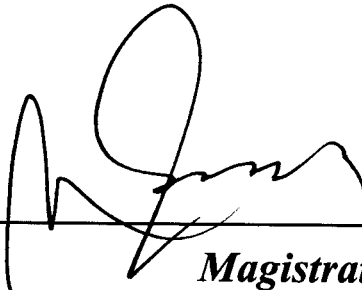
COUNT FOUR: Title 18, United States Code, Section 1832(a)(2)– Theft of Trade Secrets; Title 18, United States Code, Section 2– Aiding and Abetting

A true bill.


Foreperson

Filed in open court this 15 day of June

A.D. 2006


Magistrate Judge

Bail. \$ Arrest warrant - no bail

DOCUMENT NO.	CSA's INITIALS
1	
DISTRICT COURT CRIMINAL CASE PROCESSING	

Filed

JUN 15 2006

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE

KEVIN V. RYAN (CSBN 118321)
United States Attorney

SEALED BY ORDER
OF COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

CR 06 00424

RS

JW

UNITED STATES OF AMERICA,

Plaintiff,

v.

LAN LEE,
a/k/a Lan Li, and
YUEFEI GE,

Defendants.

No.

VIOLATIONS: 18 U.S.C. § 1832(a)(5) –
Conspiracy; 18 U.S.C. §§ 1832(a)(1), (a)(2),
& (a)(3) – Theft of Trade Secrets; 18 U.S.C.
§ 2 – Aiding and Abetting

SAN JOSE VENUE

INDICTMENT

The Grand Jury charges:

Background:

1. At all times relevant to this Indictment;

a. NetLogic Microsystems ("NLM") was a computer chip design and development company located in Mountain View, California. Among other products, NLM was designing and developing a network co-processor chip, designated the CAM-3, a.k.a. NSE-5512, a.k.a. NSE-5512-GLC. (The NSE-5512-GLC chip was a version developed exclusively for sale to a particular customer.) The CAM-3 chips were included in NLM products that were sold and shipped, and intended to be sold and shipped, in interstate and foreign commerce. NLM data sheets were confidential top-level technical descriptions of their products. Defendant LAN LEE was employed

INDICTMENT

1 by NLM from September 2001 until July 2003. Defendant YUEFEI GE was employed by
2 NLM from February 2002 until July 2003.

3 b. Taiwan Semi-Conductor Manufacturing Company ("TSMC") was a computer chip
4 manufacturing company with facilities located in Taiwan; San Jose, California; Singapore; and
5 Washington State. TSMC utilized computer programs, including software designated as TSMC
6 Spice Model 0.13 μ m Logic Salicide, which included TSMC's proprietary and confidential
7 parameters, to facilitate its manufacture of computer chips. TSMC Spice Model 0.13 μ m Logic
8 Salicide was used by NLM to develop products that were sold and shipped, and intended to be sold
9 and shipped, in interstate and foreign commerce.

10 c. SICO Microsystems Inc. ("SICO") was a Delaware corporation, created by
11 defendant LAN LEE for the purpose of obtaining venture capital to develop and sell products based
12 upon trade secrets stolen from NLM and TSMC.

13 d. Beijing FBNI Electronic Technology Development Company, Ltd. ("FBNI"), was
14 a venture capital company operated by an individual named Baisen Liu, in Beijing, China ("PRC"),
15 that could provide venture capital to SICO. SICO agreed with FBNI to develop and sell
16 microprocessor chips and to assist in securing funding for SICO.

17 COUNT ONE: (18 U.S.C. § 1832(a)(5))

18 2. The factual allegations contained in paragraph 1 above are incorporated herein as if set
19 forth in full.

20 3. On or about a date unknown but at least by May 3, 2002, and continuing to on or about
21 July 29, 2003, in the Northern District of California and elsewhere, the defendants

22 LAN LEE,
23 a/k/a Lan Li, and
YUEFEI GE,

24 did knowingly conspire and agree with each other and other persons known and unknown to the
25 Grand Jury to commit Theft of Trade Secrets, in violation of 18 U.S.C. §§ 1832(a)(1), (a)(2), &
26 (a)(3).

27 4. It was part of the conspiracy that the defendants and other persons would and did
28 establish and promote SICO to produce and sell microprocessors.

INDICTMENT

1 5. It was further part of the conspiracy that the defendants and other persons would and
2 did attempt to recruit others to SICO.

3 6. It was further part of the conspiracy that the defendants intended and planned to obtain
4 venture capital to finance SICO.

5 7. It was further part of the conspiracy that the defendants used stolen trade secrets from
6 NLM and TSMC to advance the business interests of SICO.

7 8. In furtherance of the agreement and to effect its objects, the defendants committed,
8 among others, the following overt acts in the Northern District of California and elsewhere:

9 a. On or about May 6, 2002, defendant LAN LEE caused to be filed a
10 "CERTIFICATE OF INCORPORATION OF Sico Microsystems Inc." with the Delaware
11 Secretary of State, Division of Corporations.

12 b. On or about a date unknown but between May 3, 2002 and July 29, 2003,
13 defendant LAN LEE downloaded TSMC's Spice Model 0.13 μ m Logic Salicide from NLM's
14 Hard Blade-00 internal server and installed it on his home computer.

15 c. On or about a date unknown but between May 3, 2002 and July 29, 2003,
16 defendant YUEFEI GE installed NLM - CAM 3 data sheets on his home computer.

17 d. On or about July 29, 2003, defendant LAN LEE possessed on his home
18 computer a cooperation agreement, dated April 4, 2003, between SICO and FBNI. The
19 agreement set out the terms of business between the parties, including FBNI's agreement to
20 provide venture capital to SICO.

21 e. On or about July 29, 2003, defendant LAN LEE possessed a document titled
22 "SICO Executive Summary" on his home computer.

23 f. On or about July 29, 2003, defendant LAN LEE possessed on his laptop
24 computer, and defendant YUEFEI GE possessed on his home computer, copies of a letter to a
25 "Professor Jiang," in PRC, dated June 29, 2002, discussing potential SICO products.

26 g. On or about July 29, 2003, defendant LAN LEE possessed a document on his
27 laptop computer which was a SICO business plan, dated April 15, 2002.

28 h. On or about July 29, 2003, defendant LAN LEE possessed materials containing

1 the trade secrets described in Counts 5 and 6 of this Indictment belonging to TSMC.

2 i. On or about July 29, 2003, defendant YUEFEI GE possessed materials
3 containing the trade secrets described in Counts 2, 3, and 4 of this Indictment belonging to
4 NLM.

5 All in violation of Title 18, United States Code, Section 1832(a)(5).

6 COUNT TWO: (18 U.S.C. §§ 1832(a)(1) & 2)

7 9. The factual allegations contained in paragraphs 1-8 above are incorporated herein as if
8 set forth in full.

9 10. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the
10 Northern District of California, the defendants

11 YUEFEI GE, and
12 LAN LEE,
a/k/a Lan Li,

13 with intent to convert trade secrets belonging to NLM to the economic benefit of someone other
14 than the owners thereof, which trade secrets are related to and included in products that are
15 produced for and placed in interstate and foreign commerce, did knowingly steal and without
16 authorization appropriate, take, carry away, and conceal, and by fraud, artifice, and deception
17 obtain such information, including the trade secrets identified as follows: NLM - CAM 3 data
18 sheets, intending and knowing that the offense would injure NLM.

19 All in violation of Title 18, United States Code, Sections 1832(a)(1) and 2.

20 COUNT THREE: (18 U.S.C. §§ 1832(a)(3) & 2)

21 11. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
22 if set forth in full.

23 12. On or about July 29, 2003, in the Northern District of California, the defendants

24 YUEFEI GE, and
25 LAN LEE,
a/k/a Lan Li,

26 with intent to convert trade secrets belonging to NLM to the economic benefit of someone other
27 than the owners thereof, which trade secrets are related to and included in products that are
28 produced for and placed in interstate and foreign commerce, did knowingly possess such

INDICTMENT

information, including the trade secrets identified as follows: NLM - CAM 3 data sheets, knowing the same to have been stolen and appropriated, obtained, and converted without authorization, and intending and knowing that the offense would injure NLM.

All in violation of Title 18, United States Code, Sections 1832(a)(3) and 2.

COUNT FOUR: (18 U.S.C. §§ 1832(a)(2) & 2)

13. The factual allegations contained in paragraphs 1-8 above are incorporated herein as if set forth in full.

14. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the Northern District of California, the defendants

YUEFEI GE, and
LAN LEE,
a/k/a Lan Li,

with intent to convert trade secrets belonging to NLM to the economic benefit of someone other than the owners thereof, which trade secrets are related to and included in products that are produced for and placed in interstate and foreign commerce, did knowingly without authorization copy, duplicate, and alter a trade secret belonging to NLM, and intending and knowing that the offense would injure NLM.

15. Specifically, the defendants knowingly altered a trade secret belonging to NLM and identified as follows: NLM - CAM 3 data sheets, by removing the NLM logo and confidential markings and inserting "SICO."

All in violation of Title 18, United States Code, Sections 1832(a)(2) and 2.

COUNT FIVE: (18 U.S.C. §§ 1832(a)(1) & 2)

16. The factual allegations contained in paragraphs 1-8 above are incorporated herein as if set forth in full.

17. On or about a date unknown but between May 3, 2002 and July 29, 2003, in the Northern District of California, the defendants

LAN LEE
a/k/a Lan Li, and
YUEFEI GE,

with intent to convert trade secrets belonging to TSMC to the economic benefit of someone other

INDICTMENT

1 than the owners thereof, which trade secrets are related to and included in products that are
2 produced for and placed in interstate and foreign commerce, did knowingly steal and without
3 authorization appropriate, take, carry away, and conceal, and by fraud, artifice, and deception
4 obtain such information, including the trade secrets identified as follows: TSMC – Spice Model
5 0.13µm Logic Salicide computer software program, and intending and knowing that the offense
6 would injure TSMC.

7 All in violation of Title 18, United States Code, Sections 1832(a)(1) and 2.

8 COUNT SIX: (18 U.S.C. §§ 1832(a)(3) & 2)

9 18. The factual allegations contained in paragraphs 1-8 above are incorporated herein as
10 if set forth in full.

11 19. On or about July 29, 2003, in the Northern District of California, the defendants

12 LAN LEE
13 a/k/a Lan Li, and
YUEFEI GE,

14 with intent to convert trade secrets belonging to TSMC to the economic benefit of someone other
15 than the owners thereof, which trade secrets are related to and included in products that are
16 produced for and placed in interstate and foreign commerce, did knowingly possess such
17 information, including the trade secrets identified as follows: TSMC – Spice Model 0.13µm
18 Logic Salicide computer software program, knowing the same to have been stolen and
19 appropriated, obtained, and converted without authorization, and intending and knowing that the
20 offense would injure TSMC.

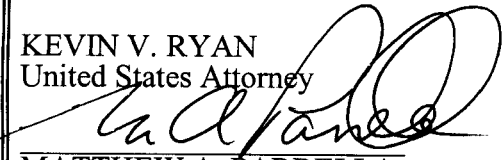
21 All in violation of Title 18, United States Code, Sections 1832(a)(3) and 2.

22 DATED: 6-15-06

A TRUE BILL.

23 
FOREPERSON

24 KEVIN V. RYAN
25 United States Attorney

26 
27 MATTHEW A. PARRELLA
Chief, San Jose Branch

28 (Approved as to form: )
AUSA PARRELLA

INDICTMENT

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 EY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED
 Count One- 18 U.S.C. § 1832(a)(5)--Conspiracy
 Counts Two and Five- 18 U.S.C. §§ 1832(a)(1)
 and 2- Theft of Trade Secrets; Aiding & Abetting
 Counts Three and Six- 18 U.S.C. §§ 1832(a)(3)
 and 2-Theft of Trade Secrets; Aiding & Abetting
 Count Four- 18 U.S.C. §§ 1832 (a)(2) and 2-
 Theft of Trade Secrets; Aiding & Abetting

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony
PENALTY:
 Maximum Penalty- Ten (10) Years Imprisonment;
 \$250,000 Fine; Minimum Three (3) Years Supervised Release;
 \$100 Special Assessment
PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

FBI- David Sieber, Special Agent

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a pending case involving this same defendant

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

SHOW DOCKET NO.

MAGISTRATE CASE NO.

 Name and Office of Person
 Furnishing Information on
 THIS FORM

KEVIN V. RYAN

☒ U.S. Att'y ☐ Other U.S. Agency

 Name of Asst. U.S. Att'y
 (if assigned)

MATTHEW A. PARRELLA

 Name of District Court and/or Judge/Magistrate Location
 SOUTHERN DISTRICT OF CALIFORNIA
SEAL BY ORDER OF THE COURT**DEFENDANT - U.S.**

LAN LEE, a/k/a Lan Li and YUEFEI GE

DISTRICT COURT NUMBER

DEFENDANT**IS NOT IN CUSTODY**

- 1)
- ☒
- Has not been arrested, pending outcome this proceeding. If not detained give date any prior summons was served on above charges
-
- 2)
- ☐
- Is a Fugitive
-
- 3)
- ☐
- Is on Bail or Release from (show District)

IS IN CUSTODY

- 4)
- ☐
- On this charge
-
- 5)
- ☐
- On another conviction
-
- 6)
- ☐
- Awaiting trial on other charges }
- ☐
- Fed'l
- ☐
- State
-
- If answer to (6) is "Yes", show name of institution

 Has detainer
 been filed?

☐ Yes
☐ No

 If "Yes"
 give date
 filed
DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted
ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☐ SUMMONS ☐ NO PROCESS*

☒ WARRANT Bail Amount: No Bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT☐ SUPERSEDING

OFFENSE CHARGED

Count One- 18 U.S.C. § 1832(a)(5)--Conspiracy
 Counts Two and Five- 18 U.S.C. §§ 1832(a)(1)
 and 2- Theft of Trade Secrets; Aiding & Abetting
 Counts Three and Six- 18 U.S.C. §§ 1832(a)(3)
 and 2-Theft of Trade Secrets; Aiding & Abetting
 Count Four- 18 U.S.C. §§ 1832 (a)(2) and 2-
 Theft of Trade Secrets; Aiding & Abetting

☐ Misdemeanor
☒ Felony

PENALTY:

Maximum Penalty- Ten (10) Years Imprisonment;
 \$250,000 Fine; Minimum Three (3) Years Supervised Release;
 \$100 Special Assessment

Name of District Court, and/or Judge/Magistrate location
 NORTHERN DISTRICT OF CALIFORNIA

DEFENDANT - U.S.

LAN LEE, a/k/a Lan Li and YUELEI

DISTRICT COURT NUMBER

06 00424 JW

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

FBI- David Sieber, Special Agent

☐ person is awaiting trial in another Federal or State
 Court, give name of court

☐ this person/proceeding is transferred from another
 district per (circle one) FRCrP 20, 21 or 40. Show
 District

☐ this is a reprosecution of charges
 previously dismissed which were
 dismissed on motion of:

☐ U.S. Att'y ☐ Defense

☐ this prosecution relates to a
 pending case involving this same
 defendant

☐ prior proceedings or appearance(s)
 before U.S. Magistrate regarding
 this defendant were recorded under

SHOW
DOCKET NO.MAGISTRATE
CASE NO.

Name and Office of Person
 Furnishing Information on
 THIS FORM

KEVIN V. RYAN

☒ U.S. Att'y ☐ Other U.S. Agency

Name of Asst. U.S. Att'y
 (if assigned)

MATTHEW A. PARRELLA

DEFENDANT

IS NOT IN CUSTODY

- 1) ☒ Has not been arrested, pending outcome this proceeding.
 If not detained give date any prior summons
 was served on above charges
- 2) ☐ Is a Fugitive
- 3) ☐ Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) ☐ On this charge
- 5) ☐ On another conviction
- 6) ☐ Awaiting trial on other charges
- If answer to (6) is "Yes", show name of institution

Has detainer
 been filed?

☐ Yes
☐ No

If "Yes"
 give date
 filed

DATE OF
 ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

Month/Day/Year

DATE TRANSFERRED
 TO U.S. CUSTODY

☐ This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

☐ SUMMONS ☐ NO PROCESS*

☒ WARRANT Bail Amount: No Bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

*Where defendant previously apprehended on complaint, no new summons
 or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments: